

SALEM

20 Central Street, Suite 110, Salem, MA 01970
Phone 978-745-8983 **Fax** 978-745-4216

Board Meeting Last Thursday of each month

Board Members Dennis F. Flynn (Chairperson), John H. Burke, Jr., Louis E. Conrad, Bruce M. Guy, Katherine O'Leary

Board Administrator Marcia A. Pelletier

ACTUARIAL

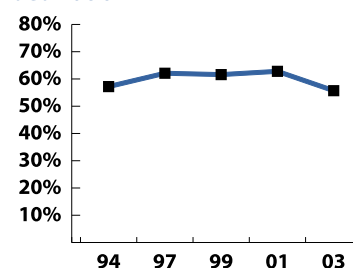
Funded Ratio 55.7%
Date of Last Valuation 1/03

Actuary Buck
Assumed Rate of Return 8.50%

Funding Schedule Increasing 4.5%
Year Fully Funded 2024

Active Members 876
Retired Members 560

Funded Ratio



INVESTMENT

2004 Return 9.90%

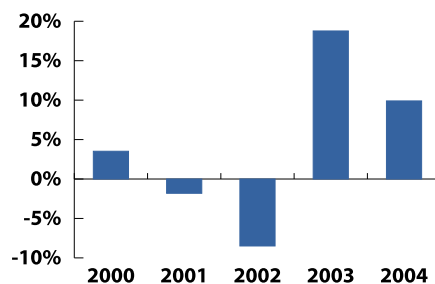
2004 Target Return 8.50%

2004 Market Value \$78.5M

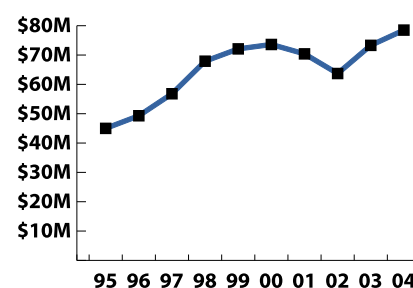
2000-2004 Return (Annualized) 3.96%

1985-2004 Return (Annualized) 9.71%

Investment Return (2000 - 2004)



Asset Growth - Market Value (1995 - 2004)



INVESTMENT VENDORS

Domestic Equity

- Freedom Equity Style Fund
- Freedom Large Cap Growth Fund
- Freedom Large Cap Value Fund
- Freedom Style-Weighted Concentrated Fund
- Gabelli Asset Management Company
- SSgA Russell 2000 Growth Index Fund
- SSR Small Cap Growth Group Trust

International Equity

- Boston Company International Core Equity Fund

Fixed Income

- Freedom Core Plus Fixed Income Fund
- Income Research & Management

Real Estate

- Fidelity Real Estate Asset Manager III, L.P.
- Fidelity Real Estate Growth Fund II, L.P.
- INVESCO IRT Equity Real Estate Securities Fund

Alternative Investments

- Ascent Venture Partners III, L.P.
- First America Asia Fund I L.P.
- Zero Stage Capital VII, L.P.

Consultant

- Segal Advisors

Custodian

- State Street